

**OFFICIAL PROCEEDINGS OF THE BOARD OF
TRUSTEES
CITY OF LANSING
EMPLOYEES' RETIREMENT SYSTEM**

Regular Meeting
City Council Conference Room
10th Floor, City Hall
Lansing, MI

March 23, 2017
Thursday, 8:30 a.m.

The Board met in regular session and was called to order at 8:37a.m.

Present: Dedic, Good, Houghton, Munroe, D. Parker, M. Parker, Riley. –7

Absent: Trustee Bernero, Kraus

Others: Karen E. Williams, Angela Bennett, Finance Department; Attorney Kenneth Lane, Clark Hill (representing the City Attorney's Office).

It was moved by Trustee Good and supported by Trustee M. Parker to approve the Official Minutes of the Employees' Retirement System Board Meeting of February 23, 2017.

Adopted by the following vote: 7 – 0

It was moved by Trustee Good and supported by Trustee Mark Parker to approve the Official Minutes of the Joint Police and Fire Retirement System Board and the Employees' Retirement System Board meeting of February 21, 2017.

Adopted by the following vote: 7 - 0

Secretary's Report:

7 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 0 retired. Total active membership: 361. Total deferred: 71. 2 death(s) David Phelps, (retired 7/1/2010 – UAW, died 2/26/2017, age 61, beneficiary to receive 100%; Jane Rouse, died 3/6/2017, age 92, spouse of Nonbargaining retiree. Refunds made since the last regular meeting amounted to \$46,689.89. Retirement allowances paid for the month of February 2017, amounted to \$1,906,013.28. Total retirement checks printed for the ERS System: 906. Total Retirement checks printed for both systems: 1638. Eligible domestic relations orders received:0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

There were no requests for Regular Age and Service retirements.

Karen Williams reported that the medical report for applicant #2017-E0119 had been received and submitted to the disability subcommittee. The disability subcommittee met to review the medical report and the applicant's documentation.

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It was moved by Trustee Good and supported by Trustee Mark Parker to deny the request for Non-Duty Disability retirement for applicant #2017-E0119 in accordance with the medical report.

Adopted by the following vote: 7 – 0

It was moved by Trustee Good and supported by Trustee Mark Parker to approve the request for Duty Disability retirement for applicant #2017-E0119 in accordance with the medical report.

Adopted by the following vote: 7 – 0.

Karen Williams reported that the Retirement Office received notification from Trustee Kraus that she would not be able to come to the meeting. She requested to be excused.

It was moved by Trustee Good and supported by Trustee Munroe to excuse Trustee Kraus from the March meeting.

Adopted by the following vote: 7 – 0.

Trustee Dedic provided a report on his attendance to the MAPERS One Day Conference scheduled for March. Trustee Dedic attended workshops that detailed asset allocation, ethics in the financial markets, and importance in lobbying state representatives regarding retirement concerns.

Karen Williams reported that MAPERS Annual Spring Conference is scheduled for May 20-23, 2017 in Acme, Michigan. Ms. Williams requested that members who were interested in attending to contact the Retirement Office.

Ms. Williams provided a retirement conference update. The Lansing Center has been scheduled for Thursday, September 7. Ms. Williams discussed items on the proposed conference budget that included room rental, food and supplies.

Trustee Houghton inquired if the retirement board have requested sponsors.

Ms. Williams indicated that the retirement board had not requested sponsors in the past.

Attorney Ken Lane stated that there should not be a problem with requested sponsors if the money went directly to the Lansing Center. Goods and services could be used only for the Conference.

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It was moved by Trustee Mark Parker and Trustee Dedic to allocated \$12,500 from the Employees' Retirement System Board for the September retirement conference.

Adopted by the following vote: 7 – 0.

Attorney Ken Lane will amend the Employees' Retirement System Board budget to include the increased allocation for the conference.

There are no public comments.

Attorney Ken Lane updated the Board that the Retirement Ordinance is under review in the City Attorney's Office.

Attorney Lane will review the documents from the MAPERS One-Day Conference regarding issues raised ethics in financial markets workshop the Trustee Dedic attended. Attorney Lane will review the Board's Code of Conduct policy to determine if issues raised from the workshop are covered.

Attorney Lane distributed a revised Vendor policy.

Attorney Lane discussed Public Act 530 which amends Public Act 314 that requires pension and retirement health systems to provide an annual report to the State Treasurer's Office as of March 29, 2017. There were no official guidelines posted for submitting reports yet.

Attorney Ken Lane distributed a letter for vendors of the system indicating that vendors cannot make campaign contributions to any elected officials who could have influence over their hiring.

Attorney Lane provided copies of the NCPERS ethics policy for investment advisors. Attorney Lane noted that investment managers would need to disclose contributions on Schedule A list of organizations. NCPERS provided questions and possible answers to vendors who refused to sign the document. Attorney Lane stated the Employees' Retirement System could review the document and decide at a future meeting if they would like to adopt the policy.

Attorney Ken Lane reported that the Chief Information Officer has been invited to the next joint meeting to address the SAS Report, cybersecurity and answer questions regarding technology issues

Attorney Ken Lane will draft a service credit purchase policy that will detail the process and timeframe for purchases. The document could be provided with forms required for purchase.

Karen Williams described the process of how an employee would purchase service credits.

Karen Williams reported that Asset Consulting Group provided a schedule of due diligence visits for the week of April 17, 2017. Asset Consulting Group recommended visits to Franklin Templeton, Wasatch and Western Asset.

The Police and Fire Retirement Board requested that Asset Consulting Group recommend two visits rather than three.

Asset Consulting Group recommended Franklin Templeton and Wasatch.

The Employees' Retirement System discussed the dates and recommended having the due diligence at a later date. Trustee Dennis Parker will contact the Police and Fire Retirement Board to determine a date.

Attorney Lane reported that the City Attorney's Office was working on a report regarding their review of contract employees who have retired from the City of Lansing for Employees' Retirement System Board. The Board has requested a copy of the report.

Karen Williams reported that Police and Fire Retirement System requested information on the cost to just maintain the Minute Master Project, and not update it. Ms. Williams will contact Gabriel Roeder and Smith and obtain further information.

Karen Williams reported that Retirement Office requested that the Chief Information Officer address trustee table or establishing a trustee portal on the City of Lansing Web Site at the next Joint Meeting.

Attorney Lane reported that the Police and Fire Retirement System has requested that an RFP be drafted for the medical director. He will bring a copy of the RFP for the Employees Retirement System.

Karen Williams reviewed the Investment Report and the Securities Lending Report for the month of February.

It was moved by Trustee Dedic and supported by Trustee M. Parker to adjourn the meeting.

Adopted by the following vote: 7 – 0.

The meeting adjourned at 9:09 a.m.

Minutes approved on _____

*Angela Bennett, Secretary
Employees' Retirement System*

*Dennis R. Parker, Vice Chairperson
Employees' Retirement System*